



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2017 Biennium

<b>Bill #</b>	HB0307	<b>Title:</b>	Revise special fees for certain trucks transporting timber owned by truck owner
<b>Primary Sponsor:</b>	Cuffe, Mike	<b>Status:</b>	As Introduced

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2             | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$249,600)	(\$249,600)	(\$249,600)	(\$249,600)
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of fiscal impact:

HB 307 gives timber owners a 65% reduction in gross vehicle weight GVW fees. This fee reduction will result in decreased revenues to the Highway State Special Revenue Fund of \$249,600 annually.

## FISCAL ANALYSIS

### Assumptions:

#### **Department of Transportation**

1. It is difficult to estimate how many trucks would be eligible with "timber owned by the operator" language. To provide an estimate, it is assumed that most of the logging industry could be eligible. To estimate the number of trucks, the number of over dimensional/over-weight term permits for 2014 logging (512) is used. The average (GVW) registration of the typical 5 axle logging vehicle is \$750. A 65% reduction of this fee equates to a \$487.50 reduction. Total estimated fee reduction would be \$249,600 from the Highway State Special Revenue Fund.
2. The estimate does not include the number of trucks that have a configuration operating in excess of 80,000 lbs.
3. This estimate includes paying full year GVW fees. It doesn't account for credentialing quarterly or monthly for GVW fees.

	<b><u>FY 2016 Difference</u></b>	<b><u>FY 2017 Difference</u></b>	<b><u>FY 2018 Difference</u></b>	<b><u>FY 2019 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
FTE	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>
TOTAL Revenues	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>	<u>(\$249,600)</u>

**Long-Term Impacts:**

1. The state special revenue funds are currently used as match for Highway Construction Projects at a rate of 13% state funds to 87% federal funds. The decreased state special revenue could not be used to match \$1.67 million in federal funds.

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*